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PUR-2019-00094

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Virginia Electric and Power Company For approval of a 100 percent renewable energy tariff, designated Rider TRG, pursuant to Virginia Code sections 56-577A 5, et,

et al.

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City of Alexandria Comments opposing Virginia Electric and Power Company's Application for Approval of a 100 percent renewable energy tariff, designated Rider TRG, pursuant to Virginia Code sections 56-577(A)(5),

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November 14, 2019

Joel H. Peck, Clerk State Corporation Commission c/o Document Control Center P.O. Box 2118 Richmond, Virginia 23218-2118

Subject: City of Alexandria Comments opposing PUR-2019-00094 Virginia Electric and Power Company - For approval of a 100 percent renewable energy tariff, designated Rider TRG, pursuant to Virginia Code sections 56-577 A 5, et al.

Dear Mr. Peck:

On November 12, 2019, the City Council of the City of Alexandria ("City of Alexandria") authorized the filing of written comments opposing Dominion Energy's Application for the creation of Rider TRG in State Corporation Commission ("SCC") Case PUR-2019-00094. The City of Alexandria's opposition to Dominion Energy's Rider TRG application derives from the City's commitment to reduce city-wide greenhouse gas emissions by one-half by 2030, with a further goal of reducing city-wide greenhouse gas emissions by 80 to 100 percent by 2050 as clearly stated in City's Environmental Action Plan 2040 passed by City Council on July 9, 2019.

Moreover, on October 22, 2019, City Council passed a resolution declaring a climate emergency stating that in order to support the stabilization of a 1.5 C (2.4 F) global temperature according to scientific consensus described in the United Nation's Intergovernmental Panel on Climate Change's special report on Global Warming of 1.5 C, a material reduction of greenhouse gas emissions of roughly four to five percent each year is necessary to avoid profound and disastrous impacts on global climate, ecosystems, and human societies.

First, the City of Alexandria's greenhouse gas emission reduction commitments necessarily require the expansion of new renewable energy sources by individual residents, business owners, organizations like the City of Alexandria, and utilities like Dominion Energy. Rider TRG falls significantly short in this respect. While maybe not a statutory requirement that Rider TRG be sourced from 100% new renewable facilities, the City of Alexandria, as a customer itself, and as a representative of its community members who are Dominion Energy customers, understands there is a public expectation that any such programs the SCC should consider should support the growth and expansion of renewable energy resources towards meeting its customer's renewable energy goals. Rider TRG falls short of the public's expectations.

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Second, at the very minimum, the inclusion of the Virginia City Hybrid Energy Center ("VCHEC") in the Rider TRG program is demonstrably counter to customer expectations for meeting renewable energy goals; allegedly Dominion Energy's intent for offering Rider TRG. As noted by several Respondents and SCC Staff witnesses, the very fact that the VCHEC is incapable of operating without the combustion of coal resources is absolutely counter to customer expectations for renewable energy resources despite its inclusion in a statutory definition of renewable energy. Moreover, the inclusion of two hydroelectric (Gaston and Roanoke) and three biomass units (Altavista, Hopewell, and Southampton), also recognized as being statutorily-defined as a renewable energy resource, will not meet Green-e certification requirements, a program administered by the independent non-profit Center for Resource Solutions and recognized as an industry standard that individual residential, non-residential, and organizations like the City of Alexandria rely on in order to meet renewable energy goals. Here again, Rider TRG falls short of the public's expectations.

Third, Dominion Energy's persistent perspective that Rider TRG is a premium offering is arguably in direct conflict with national and international trends reflecting the costs and benefits of renewable energy. The very low marginal cost of various renewable energy resources like solar and wind can provide lower cost and more stable financial benefits than conventional generation. Unfortunately, Rider TRG ignores these potential financial benefits to customers by decoupling any of the financial benefits from the electricity generated and matched to customer loads. It is the City of Alexandria's perspective that any renewable energy program offering should necessarily reflect its overall contribution to the mitigation of greenhouse gas emissions, but also reflect its financial benefit and value. Rider TRG does not offer any of the financial benefits that it should and therefore, falls short of the public's expectations.

Finally, Dominion Energy asserts it has a suite of programs – including the proposed Rider TRG – that it states meets customer needs with regard to achieving renewable energy commitments and goals. The City of Alexandria acknowledges that Dominion Energy does provide a suite of programs reflecting various renewable energy interests. However, it is the City of Alexandria's perspective that Rider TRG is specifically developed and proposed to reduce or eliminate opportunities for residential, non-residential, and organizations like the City of Alexandria to pursue renewable energy goals according to the strict interpretation of Code of Virginia §56-577(A)(5). As a matter of practice and customer expectations, meeting 100% renewable energy goals can be accomplished in a variety of ways that include beneficial opportunities that may not be offered by Dominion Energy. This is especially true when considering the financial benefits renewable energy resources can offer to local government organizations like the City of Alexandria that have limited financial resources and must invest wisely in a diversity of services on behalf of its community, including public safety services, schools, social services, health services, roadways, etc. Once again, Rider TRG does not accomplish what the public expects.

The City of Alexandria recognizes that the SCC is required to interpret section §56-577(A)(5) and related sections of the Code of Virginia (1950) as amended, and that its weighing of precedent set in APCo's Rider WWS proceeding is also of consideration; however, as a matter of law and practicality, the SCC should apply reasonable and prudent evaluation with customer expectations in mind. In the context of customer expectations regarding Dominion Energy's proposed renewable energy program Rider TRG, this expectation of protecting the public interest falls far short.

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Should the SCC agree with the City of Alexandria that Rider TRG does not meet customer expectations, we pledge to work with Dominion Energy and other interested stakeholders to develop a supplement program that reflects the public's expectations for a 100% renewable energy program.

Sincerely,

Mark B. Jinks City Manager

cc: The Honorable Mayor and Members of City Council